According to the practice prevailing in the State, checking of legal encumberances about any immovable property was possible only after making an advance payment and hence this was done. The CBI had also made a secret investigation into this matter and concluded that there was no irregularity in the above purchase.

(g) In view of the above, does not arise.

Allocation of imported steel skull scrap from Qatar

395. SHRI GURUDAS DAS GUPTA: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Metal Scrap Trade Corporation Limited had imported 28,000 tonnes of steel skull scrap from Qatar in hard currency without pre-shipment inspection by it or by the approved inspection agency;

(b) if so, whether the entire quantity was discriminatorily allotted to Mukand Iron and Steel without pre-registration of demand by the latter;

(c) whether the internal vigilance of MSTC indicated the deal;

(d) whether the Ministry have taken any action in the matter; and

(e) if so, what is the proposed course of action?

THE MINISTER OF STEEL AND MINES WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (SHRI DINESH GOSWAMI): (a) During 1988-89, Metal Scrap Trade Corporation (MSTC) placed orders for the import of 68,000 tonnes of steel skull scrap from Qatar of which about 35,000 tonnes was actually shipped. Under the prevalent system pre-shipment inspection of scrap is not done by MSTC but by inspection agencies. In addition, the actual users are also free to do so. Out of the above, inspection of 21,000 tonnes was to be done by actual users and the balence by inspection agencies.

(b) Out of 35,000 tonnes of Skull Scrap actually imported, M/s. Mukand was allotted about 27,000 tonnes and the balance was allotted to eight other users. Pre-registration of any particular variety of Carbon Steel Melting Scrap is not a pre-requisite for allotment purposes but the consumers can pre-register their demand for entire requirement.

(c) to (e) The internal vigilance of MSTC had examined the matter but had not found any mala fide. However, Government are examining the matter afresh.

Alleged irregularities in the purchase of a foreign flag ship by MSTC

396. SHRI GURUDAS DAS GUPTA: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Metal Scrap Trade Corporation Limited (MSTC) purchased a foreign flag vessel, MV Aspen Sky, over-looking specific objections by the then Chief Vigilance Officer, MSTC;

(b) if so, whether there are more than one vigilance reports containing adverse remarks against the present Managing Director of MSTC and some higher-ups, some of which are for a period when the Managing Director was General Manager of MSTC;

(c) whether the present Managing Director was involved in an irregular deal pertaining to the import of stainless steel, in 1984 when he was General Manager; and

(d) whether appointment of Managing Director, MSTC, during pendency of vigilance enquiry was counter to the Government policy and principles, more so when corruption charges were confirmed by internal vigilance of MSTC?

THE MINISTER OF STEEL AND MINES WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (SHRI DINESH GOSWAMI): (a) MSTC purchased "MV Aspen Sky" ship for breaking after obtaining the then Chief Vigilance Officer's advice in the matter. The thrust of the advice was that MSTC's interests including direct and indirect losses and damages on such